



Employees' Retirement System Communicator

January, 2011

No. 1

Contact Information

Employees' Retirement System

Please contact the Employees' Retirement System (ERS) at **414-278-4207** in Milwaukee or toll-free at **877-652-6377** outside of Milwaukee for all Pension questions, including Retirement calculations. You can also contact ERS via email at ers@milwcnty.com.

Life & Health Benefits

Please contact the Benefit Division with Life and Health Benefits related questions at: **414-278-4198**. You can contact Benefits via email at benefits@milwcnty.com

Newly Retired

*Emil Drobac
Rita Greil
Shirley Henry
Marilyn Johnson
Gail Miswald
Betsy Martin
Edward Nowak
Ralph Ody
Edward Oertel
Therese Peterson
William Schmitt
Harold Stage
Tyrone Walker
Brinda Wesley*

From the Desk of the ERS Manager

How Much Money Do I Need In Retirement?

Retirement is the much-anticipated period in your life when you get to enjoy the fruits of your labor. To do this, one needs to have planned for the ever-increasing cost of living through a relatively stable source of income. Such planning requires use of a formula to evaluate income, expenses, cost of living factors and unexpected circumstances.

Self-sufficiency in retirement can be gauged from two different perspectives. First, most financial experts agree that in order to maintain a good standard-of-living in retirement, a person should replace at least 80% of their earned income with other income. This income can come from a variety of sources, such as Social Security, pensions, IRAs, Veteran's benefits, income property, savings or investments. Second, many surveys indicate that a net income of between \$500,000-\$1,000,000 is needed to have a comfortable standard of living throughout retirement.

Some simple planning steps to accurately gauge needed income include:

1. Prepare a retirement budget based on projected life-style and changes.
2. Be aware that expenses go up based on travel and increased purchases.
3. Consider whether you will own a house or rent.
4. Location has a tax impact that could be favorable or not.
5. Remember the high cost of health care and medical coverage.
6. It may be necessary to postpone retirement or semi-retire.
7. Retirement income may need to be supplemented with earnings from part-time employment.

Seventy-five percent of Milwaukee County ERS retirees receive a pension under \$2,000 per month. The typical monthly Social Security .

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payment is approximately \$1,200 per month. This comes to an average income per year of \$38,400. If your pre-retirement standard of living was \$60,000 per year, you will need to supplement your budget by either drawing down from savings or finding additional sources of income. Your only other alternative would be to reduce your standard of living. Careful pre-retirement planning can help eliminate the need for this unwelcome possibility.

Life & Health Update

Many of you have called asking if you will receive new medical insurance cards this year. Everyone will receive new medical ID cards regardless if you made changes or not during the open enrollment period. If you changed plans, your coverage under the new plan option began on January 1, 2011.

UnitedHealthCare offers a nationwide network of providers that is particularly strong in Southeast Wisconsin. The overwhelming majority of physicians and facilities that were available for 2010 are available for 2011. While it is very likely that the providers you utilized in 2010 will be in the network this year, the only way to be absolutely certain is to confirm with UnitedHealthCare.

To confirm if your physician, hospital or other provider is included in the UHC network, or to find a network physician, please contact UHC at 800-603-3941. Customer service representatives are available from 7 a.m. – 7 p.m. (CST) Monday – Friday.

If you have access to a computer, you can also confirm if your physician, hospital or other provider is in the network by doing an on-line search. Go to www.myuhc.com and select the “Find Physician or Facility” link located under the links and tools heading in the upper right corner.

Reminder: Upon becoming Medicare-eligible (regardless of age) you must enroll in Medicare Parts A and B, and provide proof of enrollment to the Benefits Division. You are not required to enroll in Medicare Part D.

May you experience good health and happiness in 2011!

In Memoriam

*Please keep the families of these recently deceased
retirees and spouses in your thoughts:*

Margaret Beaumont

(Nick)

John Dodge

Eunice Domowicz

Eugene Eickstaedt

Alice Greska (George)

Doris Krueger

John McCormick

Cleone Mooney (Robert)

Clifton Perkins

Norma Poling

Betty Rogers